

U.S. Department of Justice U.S. Attorney's Office **Western District of Texas**

Robert Pitman, U.S. Attorney

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TWO ENTER GUILTY PLEAS IN CONNECTION WITH EL PASO CORRUPTION INVESTIGATION

El Paso public relations consultant Mark Schwartz and former Ysleta Independent School District Trustee Linda Chavez entered guilty pleas this afternoon in connection with the El Paso corruption investigation focusing on the now-defunct ACCESS Health Source (ACCESS) announced United States Attorney Robert Pitman and FBI Special Agent in Charge Mark Morgan.

Appearing before United States District Judge Frank Montalvo, Schwartz pleaded guilty to one count of conspiracy to engage in racketeering activity; Chavez, one count of conspiracy to commit mail and wire fraud and deprivation of honest services. Under the terms of his plea agreement, Schwartz faces eight years in federal prison. Statutorily, Chavez faces up to 20 years in federal prison and a maximum \$250,000 fine.

ACCESS, among other things, was a third party administrator of healthcare benefits for self insured entities. Between 1998 and 2007, ACCESS contracted with self-insured local (El Paso) government entities, including the County and three school districts, to provide administrative services for their health insurance programs.

By pleading guilty, Schwartz admitted that he carried out schemes on behalf of former ACCESS President Frank Apodaca, former CEO of the National Center for the Employment of the Disabled (NCED) and ACCESS owner Robert "Bob" Jones, and El Paso attorney Luther Jones to pay bribes to elected officials, including former El Paso Independent School District Trustee Salvador "Sal" Mena, Ysleta Independent School Board President Mickey Duntley, former El Paso County Commissioner Elizabeth "Betti" Flores, former El Paso County Commissioner Larry Medina and former El Paso County Judge Dolores Briones to perform acts in their official capacity which would aid ACCESS in securing and retaining lucrative health care management service contracts.

Chavez, by pleading guilty, admitted to conspiring from June 2004 to July 2005 with Mark Schwartz, Frank Apodaca, Luther Jones and Mickey Duntley to secure an Ysleta ISD healthcare services contract with ACCESS. She also admitted to conspiring to secure an YISD contract for legal services with a local law firm at Luther Jones' and El Paso attorney David Escobar's bidding.

"Today's pleas send a strong message regarding the FBI's continued aggressive targeting of individuals in the El Paso community involved in public corruption. Nothing erodes the public trust more than those who illegally conspire to benefit from taxpayer dollars in order to line their own pockets," stated FBI Special Agent in Charge Mark Morgan.

Both defendants remain on bond pending sentencing. No sentencing dates has been set.

This case was investigated by the Federal Bureau of Investigation. Assistant United States Attorneys Debra Kanof and Jose Luis Gonzalez are prosecuting this case on behalf of the Government.